

CNA Surety Corporation

Press Release Investor Data

(Amounts in thousands, except per share data)

	Three Months Ended December 31,		Years Ended December 31,	
	2009	2008	2009	2008
Operating Results:				
Gross written premiums	<u>\$ 96,944</u>	<u>\$ 105,828</u>	<u>\$ 438,305</u>	<u>\$ 467,127</u>
Net written premiums	<u>\$ 90,539</u>	<u>\$ 98,053</u>	<u>\$ 411,034</u>	<u>\$ 431,679</u>
Revenues:				
Net earned premiums	\$ 105,323	\$ 110,882	\$ 421,872	\$ 431,696
Net investment income	13,012	12,010	50,371	47,302
Net realized investment gains (losses)	256	(1,167)	1,199	(1,374)
Total revenues	<u>\$ 118,591</u>	<u>\$ 121,725</u>	<u>\$ 473,442</u>	<u>\$ 477,624</u>
Expenses:				
Net losses and loss adjustment expenses ⁽¹⁾	\$ (15,576)	\$ 18,741	\$ 69,416	\$ 80,844
Net commissions, brokerage and other underwriting expenses	61,063	60,614	233,427	235,420
Interest expense	295	489	1,391	2,148
Total expenses	<u>\$ 45,782</u>	<u>\$ 79,844</u>	<u>\$ 304,234</u>	<u>\$ 318,412</u>
Income before income taxes	72,809	41,881	169,208	159,212
Income tax expense	<u>23,503</u>	<u>12,763</u>	<u>51,347</u>	<u>48,809</u>
Net income	<u>\$ 49,306</u>	<u>\$ 29,118</u>	<u>\$ 117,861</u>	<u>\$ 110,403</u>
Basic earnings per common share	<u>\$ 1.11</u>	<u>\$ 0.66</u>	<u>\$ 2.66</u>	<u>\$ 2.50</u>
Diluted earnings per common share	<u>\$ 1.11</u>	<u>\$ 0.66</u>	<u>\$ 2.65</u>	<u>\$ 2.49</u>
Basic weighted average shares outstanding	<u>44,268</u>	<u>44,160</u>	<u>44,247</u>	<u>44,145</u>
Diluted weighted average shares outstanding	<u>44,394</u>	<u>44,266</u>	<u>44,397</u>	<u>44,260</u>

(1) See note to Press Release Investor Data.

	Three Months Ended December 31,		Years Ended December 31,	
	2009	2008	2009	2008
Cash Flow Data:				
Net cash provided by operations	\$ 48,282	\$ 38,968	\$ 157,984	\$ 124,212
Consolidated Balance Sheet Data:				
			December 31, 2009	December 31, 2008
Invested assets and cash			\$ 1,322,654	\$ 1,126,079
Intangible assets, net			138,785	138,785
Total assets			1,709,035	1,565,519
Insurance reserves			653,899	687,548
Debt			30,930	30,892
Total stockholders' equity			923,084	767,295
Book value per share			\$ 20.85	\$ 17.37
Outstanding shares			44,268	44,168

Note to Press Release Investor Data

(1) Includes the effect of re-estimates of prior year reserves, known as reserve development. The dollar amount and percentage point effect of these reserve reductions were \$46.4 million, or 44.0 percentage points, and \$20.5 million or 18.5 percentage points, for the three months ended December 31, 2009 and 2008, respectively. The dollar amount of these revisions were reductions of \$54.3 million, or 12.8 percentage points, and \$45.5 million, or 10.6 percentage points, for the years ended December 31, 2009 and 2008, respectively.